

SRI C. M. ARUMUGHAM—The Government has issued the orders that from April 1978 onwards, there should be reservation in promotions. Did the Department follow the reservation in promotion orders while promoting 149 and 34 persons in 1978 ?

SRI S. BANGARAPPA—We have taken a decision to give their quota of promotions to SCs/STs. We have been maintaining it. I am very keen on that issue.

SRI C. M. ARUMUGHAM—I am thankful to the Hon. Minister. I want to know whether the reservation in promotion order has been followed while giving promotions in 1978 and if so, how many SC persons were promoted ?

SRI S. BANGARAPPA—I think answer given to (c) is in relation to question (b). Earlier, proper representation was not given to SCs/STs, and that is why, the Cabinet took a decision to fill up about 25 posts by SCs/STs candidates to make up the quota. I am going to issue orders very shortly. I will check up whether the quota for SCs/STs has been given out of 94, 149 and 34 promotions made during the years 1977 and 1978, and then give a reply.

Misappropriation of Funds in "Hal-Utpadaka Sahakari Sangha Ltd." Shantibastawad.

320 **SRI P. A. PAWASHE** (Uchagaon)—Will the Minister for Co-operation be pleased to state :—

- (a) whether it is a fact that there is misappropriation in "Hal Utpadak Sahakari Sangha Ltd.," Shantibastawad in Belgaum Taluk ;
- (b) if so what is the amount that has been misappropriated ;
- (c) who is responsible for the same ;
- (d) whether it is a fact that the Co-operative Department has started proceedings against the Ex-Chairman, Sri Ningappa Fakira Hirje ?

SRI V. M. KUSNOOR (Minister for Co-operation)—

- (a) Yes.
- (b) Rs. 11,541.81.
- (c) The Auditor of Co-operative Societies, Belgaum-1, who has audited the Accounts of the Society for the year 1976-77 in his special report dated 20th March 1978, has held Sri N. F. Birje, Ex-Chairman of the Society has responsible for the misappropriation of the cash balance of Rs. 11,541.81.
- (d) Yes.

SRI P. A. PAWASHE:—May I know during which year this amount has been misappropriated? Whether it is on one item or several items? If there are several items, may I know the particulars of those items?

†SRI V. M. KUSHNOOR:—I don't have item-wise figures. But altogether, he has misappropriated Rs. 11,541.81. This figure is given on the basis of Auditor's report.

SRI P. A. PAWASHE:—I would like to know during which year, he has misappropriated? Whether the accounts of the society were audited previous to 1976-77 or not?

SRI V. M. KUSHNOOR:—The audit has taken up to the accounts relating the period from 1-7-1976 to 30-6-77 and from 1-7-77 to 30-9-77. During this period, the irregularities and the misappropriations had been found out by the Auditor.

SRI P. A. PAWASHE:—May I know According to the rules of the Co-operative Societies Act, whether the Secretary is responsible for misappropriation or not?

SRI V. M. KUSHNOOR:—No doubt as per Act, he is responsible but according to the Bye-Law of this particular Society, the President is authorised to keep the cash; Not only that, even the Board of Directors have passed a resolution that the President should deal with the cash.

SRI B. B. SAYANAK:—When the Chairman has not signed the vouchers and the balance amount is with the Secretary, how can the Chairman held responsible for all the transactions?

SRI V. M. KUSHNOOR:—He was issued a Show-Cause Notice stating all these facts and asking him to give his explanation but that gentleman did not turn up to meet the Asst Registrar and to file his objections. Now at this stage it cannot be said that he has not signed the vouchers taking into consideration all these things.

SRI N. B. SIRDASAT:—When did the Enquiry Proceedings start and when will it be completed? Whether the Hon. Minister is going to ask them to expedite the proceedings?

SRI V. M. KUSHNOOR:—In this case, a criminal case has already been filed on 22-1-1979 and an ABN case has been filed on 20-9-1978, and for this case, I will ask them to expedite as early as possible.